

# **TOWN OF WISNER**

Wisner, Louisiana

Annual Financial Audit  
For The Year Ended  
June 30, 2003

**Jimmie Self, CPA**  
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# TOWN OF WISNER

Wisner, Louisiana

General Purpose Financial Statements  
And  
Independent Auditor's Reports  
For The Year Ended  
June 30, 2003

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**TOWN OF WISNER, LOUISIANA**  
**Table of Contents**  
As of and for the year ended June 30, 2003

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<b>Independent Auditor's Report</b>	1-2
<b>General Purpose Financial Statements:</b>	
Balance Sheet – All Fund Types and Account Groups	3
<i>Governmental Funds:</i>	
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual: Government Funds – Primary Government	5
<i>Proprietary Funds:</i>	
Statement of Revenues, Expenses, and Changes in Retained Earnings	6
Statement of Cash (and Cash Equivalents) Flows	7
<b>Notes to Financial Statements</b>	8-21
<b>Supplemental Information Schedules:</b>	
Schedule of Compensation Paid Board Members	22
<b>Independent Auditor's Reports:</b>	
Report on Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With <i>Government     Auditing Standards</i>	23-24
Schedule Of Federal Financial Assistance	25
Report On Compliance With Requirements Applicable To Each Major Program And Internal Control Over Compliance In Accordance With OMB Circular A-133	26-27
Schedule of Findings and Questioned Costs	28

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**Independent Auditor's Report**

Board of Directors  
Town of Wisner  
Wisner, Louisiana

I have audited the accompanying general purpose financial statements of the Town of Wisner, Louisiana, as of and for the year ended June 30, 2003, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Wisner's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Wisner, Louisiana, as of June 30, 2003, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The financial information listed as supplemental information schedules in the table of contents, including the accompanying schedule of federal awards is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements of the Town of Wisner. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 19, 2003, on my consideration of the Town of Wisner's internal control over

financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

A handwritten signature in cursive script that reads "Jimmie Self, CPA".

Jimmie Self, CPA  
Monroe, Louisiana  
December 19, 2003

TOWN OF WISNER, LOUISIANA  
ALL FUND TYPES AND ACCOUNT GROUPS  
BALANCE SHEET  
6/30/2003

	GOVERNMENT FUNDS		PROPRIETARY FUNDS	ACCOUNT GROUP	
	General Fund	Special Revenue Funds	Enterprise Fund	General Fixed Assets	Total (Memorandum Only)
<b>ASSETS AND OTHER DEBITS</b>					
Assets:					
Cash and Cash Equivalents	30,155		16,556		46,711
Investments	136,502	57,556	9,181		203,239
Receivables-(net, where applicable, of allowance for doubtful accounts)	398		19,401		19,799
					-
Restricted Assets			394,339		394,339
Land, buildings, and other equipment (net, where applicable of depreciation)			1,801,731	1,190,036	2,991,767
Other debits			3,483		3,483
<b>Total Assets:</b>	<b>167,055</b>	<b>57,556</b>	<b>2,244,691</b>	<b>1,190,036</b>	<b>3,659,338</b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>					
Liabilities:					
Accounts and Other Payables	3,525		3,448		6,973
Payable from Restricted Assets					
Accrued Interest			30,816		30,816
Customers' Deposits			35,866		35,866
Certificates of Indebtedness/bonds payable	118,868	-	939,458		1,058,326
<b>Total Liabilities:</b>	<b>122,393</b>	<b>-</b>	<b>1,009,588</b>	<b>-</b>	<b>1,131,981</b>
Equity and Other Credits:					
Investment in General Fixed Assets			1,440,494	1,190,036	2,630,530
Retained Earnings:					
Reserved					
Unreserved ( deficit)			(205,391)		(205,391)
Fund Balances:					
Unreserved-undesignated (deficit)	44,661	57,556			102,217
<b>Total Equity &amp; Other Credits:</b>	<b>44,661</b>	<b>57,556</b>	<b>1,235,103</b>	<b>1,190,036</b>	<b>2,527,356</b>
<b>TOTAL LIABILITY, EQUITY AND OTHER CREDITS</b>	<b>167,055</b>	<b>57,556</b>	<b>2,244,691</b>	<b>1,190,036</b>	<b>3,659,338</b>

The accompanying notes are an integral part of this statement.

**TOWN OF WISNER, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>General Fund</u>
	<u>Actual</u>
<b>REVENUES</b>	
Local Sources	
Taxes:	
Ad valorem	17,474.60
Sales and use	80,035.86
Licenses and permits	37,686.01
Fees, charges, and commissions	21,631.66
Fines and forfeitures	94,964.33
Other	9,372.30
Insurance Rebate	5,575.79
Grants	
Total Revenues	<u>266,740.55</u>
<b>EXPENDITURES</b>	
General Government	201,494.52
Public Safety	27,796.79
Public Works	12,169.62
Recreation	2,066.00
Total Expenditures	<u>243,526.93</u>
 Excess (Deficiency) Of Revenues over Expenditures	 23,213.62
<b>OTHER FINANCING SOURCES (USES)</b>	
Interest Expense	(5,553.52)
Operating transfers in	1,230.14
Total Other Financing Sources (Uses)	<u>(4,323.38)</u>
 Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	 <u>18,890.24</u>
 Fund Balances (deficits) Beginning of year	 <u>57,771.08</u>
	76,661.32
Prior Period Adjustment (note 16)	(32,000.00)
Fund Balances (deficits) End of year	<u><u>44,661.24</u></u>

The accompanying notes are an integral part of this statement

TOWN OF WISNER, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2003

	General Fund		
	Budget	Actual	Variance
<b>REVENUES</b>			
Local Sources			
Taxes:			
Ad valorem	17,000.00	17,474.60	474.60
Sales and use	100,000.00	80,035.86	(19,964.14)
Licenses and permits	30,000.00	37,686.01	7,686.01
Fees, charges, and commissions	18,500.00	21,631.66	3,131.66
Fines and forfeitures **	70,000.00	94,964.33	24,964.33
Other	1,250.00	9,372.30	8,122.30
Insurance Rebate	3,900.00	5,575.79	1,675.79
Grants			-
Total Revenues	240,650.00	266,740.55	26,090.55
<b>EXPENDITURES</b>			
General Government	86,000.00	201,494.52	(115,494.52)
Public Safety	115,650.00	27,796.79	87,853.21
Public Works	34,000.00	12,169.62	21,830.38
Recreation	5,000.00	2,066.00	2,934.00
Total Expenditures	240,650.00	243,526.93	(2,876.93)
Excess (Deficiency) Of Revenues over Expenditures	-	23,213.62	23,213.62
<b>OTHER FINANCING SOURCES (USES)</b>			
Capital Expenditures			-
Interest Income;(Interest Expense)	-	(5,553.52)	(5,553.52)
Operating transfers in/out	-	1,230.14	1,230.14
Operating transfers out			
Total Other Financing Sources (Uses)	-	(4,323.38)	(4,323.38)
Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	-	18,890.24	18,890.24
Fund Balances (deficits) Beginning of year	-	57,771.08	57,771.08
Prior Period Adjustment (note # 16)		(32,000.00)	(32,000.00)
Fund Balances (deficits) End of year	-	44,661.24	44,661.32

\*\* Fines and forfeitures increase is due to a 15% increase in all fines assessed.

The accompanying notes are an integral part of this statement



TOWN OF WISNER, LOUISIANA  
 PROPRIETARY FUND TYPE  
 STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS  
 FOR THE YEAR ENDED JUNE 30, 2003

	ENTERPRISE FUND
<hr/>	
<b>OPERATING REVENUES</b>	
Charges for services	257,282.00
Total Operating Revenues	<hr/> 257,282.00
<b>OPERATING EXPENSES</b>	
Personal services	73,435.00
Supplies and repairs	34,975.00
Operational	91,087.00
Depreciation	79,389.00
Total Operating Expenses	<hr/> 278,886.00
Operating Income (loss)	(21,604.00)
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest Revenues	10,420.00
Interest Expense	(56,378.77)
Operating Transfers In/out	(1,230.14)
Total Nonoperating Revenue & Expenses	<hr/> (47,188.91) <hr/>
NET INCOME (LOSS)	(68,792.91)
Retained Earnings-6-30-01	(136,599.00)
Retained Earnings--Unreserved 6/30/02	<hr/> <hr/> (205,391.91)

The accompanying notes are an integral part of this statement.

TOWN OF WISNER  
 PROPRIETARY FUND TYPE  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2003

	ENTERPRISE	FUND
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Income		(68,793.00)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	79,389.00	
Changes in assets and liabilities:		
(Increase) Decrease in accounts receivable	(610.00)	
(Increase) Decrease in Other Assets	100.00	
Increase (Decrease) in accounts payable	637.00	
Increase (Decrease) accrued interest	(450.00)	
Increase (Decrease) in due to customers		
Total Adjustments		79,066.00
Net Cash Provided (Used) by Operating Activities		10,273.00
<b>Cash Flows From Investing Activities:</b>		
Capital Expenditures (Lamp Investments)	(37,963.00)	
Net Cash Used by Investing Activities		(37,963.00)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on long-term debt	(13,543.00)	(13,543.00)
Net Cash Provided by Financing Activities		
Net Increase in Cash and Cash Equivalents		(41,233.00)
Cash and Cash Equivalents at Beginning of Year		461,310.00
Cash and Cash Equivalents at End of Year		420,077.00
Add w/d from LAMP investment		-
		420,077.00
<b>Supplemental disclosures of cash flow information:</b>		
Interest Paid	\$56,378	

**Disclosure of accounting policy:**

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

The accompanying notes are an integral part of this statement

**Note 1 – Summary of Significant Accounting Policies**

The Town of Wisner, Louisiana, was incorporated in 1932, and is currently under the provisions of The Home Rule Charter as provided by State Law Reference L.R.S. 33:1381 - 1390. A copy of the ratified charter is recorded at the Franklin Parish Courthouse, Franklin Parish, Louisiana. The Mayor is the executive officer of the Town, while the Council members are the governing authority of the Town for the purpose of legislation and policy making. The five Council members receive no compensation. The Town provides the following services to its 1,152 residents: public safety (police); highways and streets; gas, water, sewer, and sanitation facilities through the utility fund; culture/recreation and general administrative services.

The accounting and reporting policies of the municipality conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units.

**A. Basis of Presentation**

The accompanying financial statements of the Town of Wisner have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The governmental Accounting Standards Board (GASB) is the accepted standard - setting body for establishing governmental accounting and financial reporting principles.

**B. Reporting Entity**

As the municipal governing authority, for reporting purposes, the Town of Wisner, Louisiana is considered a separate financial entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Town of Wisner, Louisiana for the financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the municipality to impose its will on that organization and /or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting Majority but are fiscally dependent on the municipality.

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As required by generally accepted accounting principles, these financial statements present the Town of Wisner, Louisiana.

### **C. Fund Accounting**

The Town of Wisner uses funds and accounting groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self - balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Funds of the Town of Wisner are classified into two categories governmental and proprietary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

#### *Governmental Funds*

Governmental funds account for all or most of the Town of Wisner's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long - term debt. Governmental funds include:

General Fund - the general operating fund of the Town of Wisner and accounts for all financial resources, except those required to be accounted for in other funds.

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The amount in this fund is a savings account.

#### *Proprietary Funds*

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

Enterprise Fund - accounts for operations (a) where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**D. Basis of Accounting**

**Modified Accrual Basis of Accounting**

The Town uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred.

Major revenue sources susceptible to accrual include: sales and use tax, property taxes, franchise fees, special assessments, intergovernmental revenues and investment income more specifically.

*Revenues*

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the Town in September or October and are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted and the year billed. Sales taxes collected are also on the accrual basis.

The Town bills and collects its own property taxes using the assessed value determined by the tax assessor of Franklin Parish.

The year ended June 30, 2003, taxes of 5.87 mills were levied on property with assessed valuations totaling 2,632,899 and were deducted as follows:

General corporate purposes 5.87 mills

Property tax revenues are recognized when they become available. Available includes those property tax receivable elected to be collected within sixty days after year end. Delinquent taxes are considered fully collectible and therefore an allowance for uncollectible taxes is provided.

Fines, bond forfeiture, and fees are recognized when collected by the Town. Interest income is recorded when the Bank credits it to the accounts.

*Expenditures*

Salaries are recorded as expenditures when earned by employees.

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Principal and interest on general long - term debt and installment purchase payments are recognized when due.

*Proprietary Fund Types*

Proprietary funds use the economic resources measurement focus. The accounting objectives are determination of net income, financial position, and cash flows. All assets and liabilities associated with a proprietary fund's activities are included on its balance sheet. Proprietary fund equity is segregated into contributed capital and retained earnings.

**Accrual Basis of Accounting**

The accrual basis of accounting is used in proprietary fund types. The accrual basis of accounting recognizes revenues when earned. Expenses are recorded when incurred.

**E. Budgets**

The Town of Wisner (Mayor and Council) uses the following budget practices:

- (1) Prior to June 30, the town Clerk submits to the Mayor and Council Members a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year. The budget is submitted in summary form. In addition, more detailed line item budgets are included for administrative control. The level of control for the detailed budgets is at the department head/function level.
- (2) Public hearings are conducted to obtain taxpayer comment.
- (3) During the month of July the budget is legally enacted through passage of an ordinance.
- (4) Formal budgetary integration is employed as a management control device during the year for the General Fund.
- (5) Budgets for the General, and Special Revenue Funds are adopted on the GAAP basis.
- (6) Appropriations lapse at the end of each fiscal year.
- (7) The Mayor and Council Members authorize supplemental appropriations during the year. Supplemental appropriations were made during the fiscal year.

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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**F. Encumbrances**

Encumbrance accounting is not used.

**G. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest - bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Town of Wisner may deposit funds in demand deposits, interest - bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Town of Wisner may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

**H. Investments**

Investments are limited by Louisiana Revised Statute ( R.S. ) 33:2955 and the municipality's investment policy. If the original maturities of investments exceed 90 days, they are classified as investment; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

- (1) The fair market value is based on quoted market prices.
- (2) All investments are reported at original cost and both are disclosed in the notes.

**I. Fixed Assets**

Fixed Assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. All fixed assets are valued at cost.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations. No depreciation has been provided for general fixed assets. Depreciation is computed using the straight - line method, and the following estimated useful lives:

Water Utility

Wells	20 years
Storage tanks	40 years
Purification plant	33 years
Lines and meters	40 years

Sewerage Utility

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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Pump stations	40 years
Lines	40 years
Autos and trucks	5 years
Other equipment	10 years

**J. Long - Term Obligations**

Long - term obligations expected to be financed from governmental funds are reported in the general long - term obligations account group. Expenditures for principal and interest payments for long - term obligations are recognized in the governmental funds when due. Long - term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

**K. Compensated Absences**

Town employees are entitled to ten days of compensated absences. However, compensated absences do not vest or accumulate and are recorded as expenditures when they are paid.

**L. Fund Equity**

*Contributed Capital*

Contributed capital is recorded in the Enterprise Fund for capital grants restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation on that portion of the assets acquired or constructed from such resources.

*Reserves*

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

*Designated Fund Balances*

Designated fund balances represent tentative plans for future use of financial resources.

**M. Interfund Transactions**

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.



TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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In the fiscal year 2000, the water works fund transferred 161, 354.72 to the General Fund in order for them to pay for the fire truck, thus leaving a deficit in the retained earnings balance of the Water Works Fund. When the certificate of Indebtedness was completed, the funds were deposited in the general fund LAMP account to replace the funds, which were transferred from the water works fund. This has caused the Enterprise Fund to have a deficit retained earnings balance as shown in Note 2.

**N. Total Columns on Combined Statements**

Total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, result of operations, or changes in financial position in conformity with generally accepted accounting principals. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**O. Operating Transfers**

Funds from cash accounts were used for street repairs, etc.

Funds / Accounts	To	From
General Fund	1,230.14	
		1,230.14
Totals	<u>1,230.14</u>	<u>1,230.14</u>

**NOTE 2 - FUND DEFICITS**

The following individual funds have deficits in the unreserved fund balance or retained earnings at June 30, 2003.

FUND	DEFICIT AMOUNT
Enterprise Fund	<u>206,003</u>

The Enterprise Retained Earnings continues to have a deficit balance. The Town is trying to implement procedures to correct this.

**NOTE 3 - CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest - bearing demand deposits and money market accounts. Under state law, the Town may deposit funds in demand deposits, interest - bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks, having principal offices in Louisiana.

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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At June 30, 2003, the Town had cash totaling 643,866 as follows:

Demand Deposits	46,711
Restricted Assets (Cash)	597,486
Total	644,197

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance or the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These securities are held in the name of the pledged bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2002, are secured as follows:

Bank Balances	388,420
Federal Deposit Insurance	100,000
Pledge Securities	545,000
	645,000

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 impose a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. The Town's bank account is sufficiently collateralized. The LAMP accounts totaling 255,476 are not included in the bank collateral.

#### NOTE 4- INVESTMENTS

Investments are categorized into three categories of credit risk:

- (1) Insured or registered, or securities held by the municipality or its agent in the municipality's name.
- (2). Uninsured and unregistered, with securities held by the counter party's trust department or agent in the municipality's name.
- (3) Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the municipality's name.

At the fiscal year-end, the municipality's investment balances were as follows:

Type of Investment	Category			Carrying Amount			Total Carrying Amount
	1	2	3	Fair Value	Amortized Cost	Cost	
LAMP INV	\$	\$	\$	\$	\$	\$	\$
General Fund	136,501			136,501			136,501

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

Special Revenue Fund	<u>57,556</u>	<u>          </u>	<u>          </u>	<u>57,556</u>	<u>          </u>	<u>          </u>	<u>57,556</u>
Enterprise Fund	<u>61,390</u>	<u>          </u>	<u>          </u>	<u>61,390</u>	<u>          </u>	<u>          </u>	<u>61,390</u>

Total	<u>\$255,447</u>	<u>\$</u>	<u>\$</u>
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Collaterized by various  
US Government  
Securities

Total Investments	<u>\$255,447</u>	<u>\$</u>	<u>\$</u>	<u>\$255,447</u>
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**NOTE 5 – FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance 6/30/02	Additions	Deletions	Balance 6/30/03
Land	57,000			57,000
Police Car	29,922			29,922
Building	125,270			125,270
Improvements (Landscaping)	581,629	6,759		588,388
Equipment	217,263			217,263
Fire Truck	161,493			161,493
Totals	1,183,277	6,759		1,190,036

Below is a summary of proprietary fund type property, land and equipment at June 30, 2003.

Land	13,200
Water/sewer treatment system	2,727,895
Vehicles and equipment	<u>111,315</u>
Total	2,852,410
Less accumulated depreciation	<u>1,050,679</u>
Net	<u>1,801,731</u>

**NOTE 6 - RECEIVABLES**

The receivables of 20,635 at June 30, 2003 are as follows:

Class of Receivable: Sewer/Water receivable net 19,397

These are net of allowance for Bad Debts, which is charged at 6 %.

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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**NOTE 7 - CHANGES IN GENERAL LONG TERM OBLIGATIONS**

The following is a summary of bond transactions for the year ended June 30, 2003

	Revenue	Total
Bonds payable at July 1, 2002	1,054,711	
LA Public Facilities	32,000	*See Note16
Bonds Principal Pd. and Int Pd.	<u>28,384</u>	
Bonds payable at June 30, 2003	<u>1,058,327</u>	

All Town of Wisner bonds outstanding at June 30, 2003, in the amount of 1,058,327 are general obligation bonds (or other as indicated) with maturities from 1997 to 2029, and interest rates from 4.0 to 6.0 percent. Bond principal and interest payable in the next fiscal year are 73,822.

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish (or other as indicated). At June 30, 2003, The Town of Wisner has accumulated 597,578 in the debt funds for future debt requirements. There are a number of limitations and restrictions contained in the various bond indentures. The Town is in compliance with all significant limitations and restrictions.

Bonds payable at June 30, 2003 are comprised of the following individual issues:

\$ 706,000 utility revenue bonds dated 11/1/89, payable in 40 consecutive annual payments of \$ 47,231, included interest at 6 %, secured by revenue of the utility system.

\$623,140

\$ 350,000 utility revenue bonds, dated 2/27/92, payable in 40 consecutive annual payments of \$ 22,691, including interest at 5.75 %, secured by revenue of the utility system.

\$ 316,319

Total Revenue Bonds:

\$ 939,459

Certificate of Indebtedness-GF

\$ 90,868

Louisiana Public Facilities

\$ 28,000

Total Bonds Payable:

1,058,327

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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The annual requirements to amortize all debt outstanding as of June 30, 2003, included interest payments of 73,922 follows:

Annual Requirements To Amortize Long - Term Debt

Year ending June 30,03	General Obligation	Revenue	Total
2004	-	73,922	73,922
2005	-	73,922	73,922
2006	-	73,922	73,922
2007	-	73,922	73,922
Thereafter	-	1,671,501	1,671,501
	Total	2,041,111	2,041,111

Certificate No. R-1

Certificate No. R-2

Year (Dec.1)	Principal Payment	Interest Rate	Year (Dec. 1)	Principal Payment	Interest Rate
2003	7,000	4.5 %	2003	8,000	0.00 %
2004	7,000	4.5 %	2004	8,000	0.00 %
2005	16,000	4.5 %			
2006	17,000	4.5 %			
2007	17,000	4.5 %			
2008	18,000	4.5 %			
2009	19,000	4.5 %			

**NOTE 8 - ONE PERCENT SALES AND USE TAX**

The revenue derived from this tax is not dedicated to any specific purpose.

**NOTE 9 - RESTRICTION ON USE OF UTILITIES REVENUES**

Funds provided by utilities revenue is to be used in the following manner before they are available for other lawful purpose:

1. Operating expense of utility system
2. Revenue bond debt service funds
3. Revenue bonds reserve funds
4. Revenue bond depreciation and contingencies funds

**NOTE 10 - PENSION PLANS**

*Municipal Employees' Retirement System*

Substantially all employees of the Town of Wisner are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, and Municipal Police Employees

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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Retirement System of Louisiana. These systems are multiple-employer (cost-sharing), public employee retirement systems (PERS), controlled and administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Municipal Employees Retirement System of Louisiana (System)--The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. [All employees of the municipality are members of Plan B.]

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final average salary. Final average salary is the employee's average over 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, any retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by the state statute.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 925-4810.

*Funding Policy.* [Under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary and the Town of Wisner is required to contribute at an actuarially determined rate. The current rate is 6.75 percent of annual payroll.] [Under Plan B, members are required by state to contribute 5.0 percent of their annual covered salary and the Town of Wisner is required to contribute at an actuarially determined rate. The current rate is 6.25 percent of annual covered payroll.] Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Wisner are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. [The Town of Wisner contributions to the System under Plan A for the years ending December 31, 2001, 2000, and 1999, were \$0.00, \$0.00, and \$0.00, respectively, equal to the required contributions to the system under Plan B for the years ending December 31, 2003, 2002, and 2001, were \$4230, \$3002 and \$3094, respectively, equal to the required contributions for each year.] (If the required contributions and the actual amount contributed do not equal, disclose the required contributions in dollars and the percentage of that amount contributed for the current year and each of the preceding years.)

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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B. Municipal Police Employees Retirement System of Louisiana (System)

*Plan Description.* All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final average salary for each year of creditable service. Final-average salary is the employee's average salary over 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250m or by calling (504) 929-7411.

*Funding Policy.* Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town of Wisner is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Wisner are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Wisner contributions to the System for the years ending December 31, 2003, 2002, and 2001 were \$ 0.00, \$ 3505 and \$3172, respectively, equal to the required contributions for each year. (If the required contributions and the actual amount contributed do not equal, disclose the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years.)

**NOTE 11 - ACCOUNTS, SALARIES, AND OTHER PAYABLES**

Accounts, salaries, and other payables of \$10,629 are as follows:

	General Fund	Prop Fund	Total
Withholdings	1850	2126	3,976
Other Payables	1675	1,322	2997
Total	3525	3448	6973

**NOTE 12 - INTERFUND TRANSACTION**

During the course of normal operations, the Town has numerous transaction between funds including expenditures and transfers of resources primarily to provide services. The governmental funds financial statements generally reflect such transactions as transfers.

TOWN OF WISNER  
Notes To The Financial Statements  
As Of And For The Year Ended June 30,2003

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**NOTE 13 - CONTINGENCY**

The Town of Wisner, Louisiana, received funds from a government grant, which is subject to audit by the federal or state government. The ultimate determination of amounts received under these programs is generally based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlements reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

**NOTE 14 - SUBSEQUENT EVENTS**

There were no subsequent events noted which would affect the financial statement.

**NOTE 15 – ON BEHALF OF PAYMENTS FOR FRINGE BENEFITS**

Employer pension plan contributions:

Municipal Retirement	4230
	<u>4230</u>

**NOTE 16 – PRIOR YEAR ADJUSTMENTS**

To correct posting in prior period from LAMP account was erroneously entered as income. It should have been credited to Louisiana Facilities for accounts payable. This caused income to be overstated by \$32,000 and Louisiana Facilities to be understated by \$32,000 in 2002. After a \$4,000 payment was made in 2003, balance due to Louisiana Facilities @ June 30, 2003 is \$28,000.



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**Monroe, Louisiana 71201**  
**Phone (318) 323-4656 Fax (318) 388-0724**

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Town of Wisner  
Schedule of Compensation  
Paid Board Members  
June 30, 2003

Term July 1, 2002 to June 30, 2003

Mayor:	Cary M. Cheek
Council Members:	Allyn Jean Luckett Elizabeth Johnson Jesse L. Young William G. Watkins Nettie Brown

No compensation was paid to Council Members.

Police Chief:	Billy Cureington
Volunteer Fire Chief:	Jack Jenkins
Town Clerk:	Lemar Bullard
Attorney:	Samuel T. Singer

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Independent Auditor's Report On Compliance And On Internal Control Over Financial  
Reporting Based On An Audit Of Financial Statements Performed  
In Accordance With Government Auditing Standards.

Board of Directors  
Town of Wisner  
Wisner, Louisiana  
December 19, 2003

I have audited the (pre-34:) general purpose financial statements of Town of Wisner as of and for the year ended June 30, 2003, and have issued my report thereon dated December 19, 2003. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Town of Wisner's (pre 34:) general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The result of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Town of Wisner's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the (pre-34:) general purpose financial statements and do not provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the (pre 34:) general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the Town of Wisner's management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Jimmie Self, CPA".

Jimmie Self, CPA  
Monroe, Louisiana  
December 19, 2003

**Town of Wisner**  
**Schedule of Federal Financial Assistance**  
**For the Year Ended June 30, 2003**

Major Programs

U.S. Department of Agriculture

Farmer's Home Administration

Loan Program -

\* Water and Waste Disposal Systems For

Rural Communities

10.418

\$ 60,956

\* Loans outstanding at June 30, 2002 with  
Farmers Home Administration were in the  
Amount of \$939,458.21-Major  
\$90,868.29-Non-Major

Note A-Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Town of Wisner and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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***A Professional Accounting Corporation***  
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**Monroe, Louisiana 71201**  
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Report on Compliance With Requirements Applicable To Each Major  
Program And Internal Control Over Compliance In Accordance  
With OMB Circular A-133

Board of Directors  
Town of Wisner  
Wisner, Louisiana

Compliance

I have audited the compliance of Town of Wisner with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2003. Town of Wisner's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Town of Wisner's management. My responsibility is to express an opinion on Town of Wisner's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Town of Wisner's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Town of Wisner's compliance with those requirements.

In my opinion, Town of Wisner complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

Internal Control Over Compliance

The management of Town of Wisner is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Town of Wisner's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of

expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of management and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Jimmie Self, CPA".

Jimmie Self, CPA  
December 19, 2003

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Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2003

I have audited the financial statements of Town of Wisner as of and for the year ended June 30, 2002, and have issued my report dated December 19, 2002. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. [and the provisions of OMB Circular A-133.] My audit of the financial statements as of June 30, 2002 resulted in an unqualified opinion (qualified, adverse, disclaimer).

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses yes X no Reportable Conditions yes X no

Compliance

Compliance material to Financial Statements yes X no

b. Federal Awards

Internal Control

Material Weaknesses yes X no Reportable Conditions yes X no

Type of Opinion On Compliance	Unqualified <u>X</u>	Qualified _____
For Major Programs	Disclaimer <u>X</u>	Adverse _____

Are their findings required to be reported in accordance with  
Circular A-133, Section 510(a)? yes X no

c. Identification of major Programs:

10.418 Loans outstanding at June 30, 2003  
with Farmers Home Administration were in the amount of \$939,458.21.